

# FISCAL NOTE

**Bill #:** HB0124

**Title:** Revise fire suppression liability

**Primary**

**Sponsor:** Dick Haines

**Status:** As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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## Fiscal Summary

	<b><u>FY2000 Difference</u></b>	<b><u>FY2001 Difference</u></b>
<b>Expenditures:</b>	\$0	\$0
<b>Revenue:</b>		
General Fund	(\$100,000)	(\$100,000)
State Special Revenue	100,000	100,000
<b>Net Impact on General Fund Balance:</b>	<b>(100,000)</b>	<b>(100,000)</b>

<b><u>Yes</u></b>	<b><u>No</u></b>		<b><u>Yes</u></b>	<b><u>No</u></b>	
	X	Significant Local Gov. Impact		X	Technical Concerns
X		Included in the Executive Budget	X		Significant Long-Term Impacts

## Fiscal Analysis

### ASSUMPTIONS:

1. Annual collections have varied considerably from year to year, with a high of \$1,295,465 and a low of \$3,797 for fire damages. The average annual collection of \$125,668 is deposited to the general fund. Revenues from billings are expected to increase as a result of the proposed bill.
2. The cost to taxpayers for wildfire suppression annually averages a supplemental of \$3,500,000. DNRC's net expenditures for fire suppression in 1994 totaled \$16,800,000. Wildfires represent a major threat to life and property and, needless to say, increased suppression costs. Suppression costs are expected to decrease as a result of this bill, but no fiscal impact is quantified.

3. This proposal will accelerate and improve DNRC's fire prevention program. It is based on specific FEMA fire hazard mitigation measures drafted after the disastrous 1994 wildfire season, and is also based on defined fire prevention goals of the Montana Fire & Aviation Strategic Plan.
4. The first \$100,000 collected annually in fire suppression billings will be deposited in a state special revenue account, rather than the general fund as currently deposited. Therefore, the fiscal summary shows a general fund loss, but in reality the general fund fire suppression supplemental appropriation will be reduced by a like or greater amount.
5. The executive budget already includes \$50,000 state special revenue in FY 2001 for operating expenses if this bill is adopted.

FISCAL IMPACT:

Revenues:

General Fund (01)	(100,000)	(100,000)
State Special Revenue (02)	100,000	100,000

Net Impact to Fund Balance (Revenue minus Expenditure):

General Fund (01)	(100,000)	(100,000)
State Special Revenue (02)	100,000	50,000

LONG-RANGE IMPACTS:

This will improve the DNRC fire prevention program. Through these efforts, DNRC hopes to prevent fires, increase suppression billing collections, reduce supplemental requests, and reduce resource loss.